

**City Council Regular Session
June 26, 2023**

The City Council of the City of Elizabeth City met in regular session on Monday, June 26, 2023 in Council Chambers, located on the 2nd floor of the Municipal Administration Building, 306 E. Colonial Avenue, Elizabeth City, NC.

MEMBERS PRESENT: Mayor E. Kirk Rivers
Mayor Pro Tem Kem Spence
Councilman Johnson Biggs
Councilman Joe Peel
Councilman Jarvis Gibbs
Councilwoman Rose Whitehurst
Councilwoman Katherine Felton
Councilwoman Barbara Baxter
Councilman Johnnie Walton

MEMBERS ABSENT: None

OTHERS PRESENT: City Manager Montre' Freeman
City Attorney Bill Morgan
Electric Superintendent Donnell White
Chief of Police J. Phillip Webster
Deputy Chief of Police James Avens
Human Resources Director Montique McClary
Fire Chief Chris Carver
ECDI Director Debbie Malenfant
Finance Director Alicia Steward
Assistant Finance Director Brian Lewis
Interim Community Development Director Reggie Goodson
Public Utilities Director Dwan Bell
Parks and Recreation Director Sean Clark
Grants Management Specialist Jon Hawley
IT Director Matthew Simpson
IT Systems Analyst Pedro Holley II
City Clerk April Onley

The City Council regular session was called to order by Mayor Kirk Rivers at 7:00 p.m. Mayor Rivers welcomed everyone to the meeting and recognized Councilman Gibbs to provide the invocation, after which Councilwoman Whitehurst led the Pledge of Allegiance.

1. Agenda Adjustments and Approval:

Mayor Rivers requested the Council's pleasure regarding approval of the prepared agenda.

Mayor Rivers noted that item C on the Regular Agenda, Adopt Internal Controls Compliance Documents would be need to be tabled until the July meeting.

Councilman Walton requested that a discussion on a recent article in The Daily Advance be moved into that item's place.

Motion was made by Mayor Pro Tem Kem Spence, seconded by Councilwoman Katherine Felton to approve the agenda as amended. Those voting in favor of the motion were: Biggs, Peel, Gibbs, Whitehurst, Spence, Felton, Baxter and Walton. Against: None. Motion carried.

3. Comments from the Public:

Mayor Rivers asked the Clerk if there were any persons present who wished to speak before the Council. The Clerk advised there was one and called him forward.

Jeff Terry – 1105 Riverside Avenue, Elizabeth City, NC - Mr. Terry said he lived near the vacant lot on Flora Street, which had been discussed recently and was subject to extreme

flooding. Last week, there was flooding on Flora Street and the water had been standing for more than a week. He asked what the Council's intention was to move forward with getting relief for this situation.

Mayor Rivers explained that the Council, by their rules of procedure, could not answer during public comment, but they would address the situation either directly with Mr. Terry later or at an upcoming meeting.

4. Public Hearings:

a. Hold a Public Hearing – Adoption of the FY 2023-2024 Budget;

Mayor Rivers declared the public hearing open and inquired of the Clerk if there were persons present who wished to speak. The Clerk advised that there was one speaker and called him forward.

Bill Hiemer – 107 Osprey Cove, Elizabeth City, NC – Mr. Hiemer thanked Manager Freeman, the Finance Department and the department heads for the work they put into getting this budget together. He thanked Director Alicia Steward and the City Clerk for the prompt and helpful responses they'd provided him when he'd reached out with questions. He thanked Mayor Rivers and Councilors Biggs and Peel for doing the hard homework necessary to understand this complex document, which resulted in some serious improvements. He was disappointed that the initial document did not include a raise, bonus or COLA for the City's employees. Although it was addressed, it was not addressed to his liking. He was also glad we were improving our IT Department, although not as much as originally hoped. He thanked Councilwoman Baxter for her constant pursuit in seeking resolution for tenants in the fight against slum lords. He worried about the low percentage of appropriated funds, which was about 12% while the state average was much higher. He wished the Council a productive meeting.

Being no other speakers, Mayor Rivers declared the public hearing closed. He asked the Council's pleasure on the FY 2023-2024 budget.

Motion was made by Councilwoman Katherine Felton, seconded by Mayor Pro Tem Spence to approve the FY 2023-2024 budget as presented. Those voting in favor of the motion were: Biggs, Peel, Gibbs, Whitehurst, Spence, Felton, Baxter and Walton. Against: None. Motion carried.

SECTION 1. It is estimated that the following revenues will be available for the City of Elizabeth City for the fiscal year beginning July 1, 2023 and ending June 30, 2024;		
<u>General Fund</u>		
Current Year's Property Taxes	\$9,653,843	
Delinquent Property Taxes	485,400	
Sales Taxes	1,375,000	
Powell Bill Funds	540,000	
Local Option Sales Tax	5,587,000	
Investment Earnings	9,000	
Licenses and Permits	935,000	
Sales and Services	2,564,000	
Payments from Electric and Water & Sewer Cost	1,855,000	
Other Revenues	980,400	
TOTAL GENERAL FUND REVENUES	\$23,984,643	
<u>Electric Fund</u>		
Energy Sales	\$32,250,000	
Other revenues	1,698,000	
TOTAL ELECTRIC FUND REVENUES	\$33,948,000	
<u>Water and Sewer Fund</u>		
Water Sales	\$6,000,000	
Sewer Sales	5,000,000	
Other revenues	4,272,250	
TOTAL WATER AND SEWER FUND REVENUES	\$15,272,250	
<u>Stormwater Utility Fund</u>		
Residential Revenue	\$250,000	
Commercial Revenue	425,000	
Other revenues	56,600	
TOTAL STORMWATER AND SEWER FUND REVENUES	\$731,600	
<u>Solid Waste Fund</u>		
Residential revenue	\$1,770,000	
Other revenue	445,500	
TOTAL SOLID WASTE FUND REVENUES	\$2,215,500	
SUBTOTAL	\$76,151,993	
LESS INTERFUND PAYMENTS	(1,855,000)	
TOTAL	\$74,296,993	

SECTION 2. It is hereby appropriated for the operation of the City of Elizabeth City and its activities for the fiscal year beginning July 1, 2023 and ending June 30, 2024; the General Fund is budgeted by departments as listed below, and the Enterprise Funds are budgeted by function (fund). The detail provided is for internal use only.

<u>General Fund</u>	
Legislative	\$159,862
Administrative	419,829
Finance	1,046,364
Tax	186,000
Legal	75,000
Code Enforcement	206,213
Planning	444,478
Public Building	558,972
Police	7,706,940
Fire	4,593,004
Fire Inspections	346,137
Building Inspections	383,211
Public Utilities	2,154,756
Parks and Recreation	3,634,303
Non-Departmental	988,321
Human Resources	489,918
Information Technology	591,335
TOTAL GENERAL FUND	\$23,984,643

<u>Electric Fund</u>	
Data Processing	\$192,352
Warehouse and Purchasing	294,314
Non-Departmental	27,276,007
Customer Service Department	447,189
Electric Distribution	4,179,875
Energy Management	1,558,263
TOTAL ELECTRIC FUND	\$33,948,000
<u>Water and Sewer Fund</u>	
Data Processing	\$199,552
Non-Departmental	2,241,324
Customer Service Department	460,702
Water Supply and Treatment	3,374,238
Wastewater Treatment	2,007,502
Water and Sewer Maintenance	6,988,932
TOTAL WATER AND SEWER FUND	\$15,272,250
<u>Stormwater Utility Fund</u>	
Stormwater Utility	\$731,600
TOTAL STORMWATER FUND	\$731,600
<u>Solid Waste Fund</u>	
Solid Waste	\$2,215,500
TOTAL SOLID WASTE FUND	\$2,215,500
SUBTOTAL	\$76,151,993
LESS INTERFUND PAYMENTS	(1,855,000)
TOTAL	\$74,296,993

SECTION 3. There is hereby levied a tax at the rate of \$.590 per \$100 valuation of property as listed for taxes as of January 1, 2023 for the purpose of raising the revenue listed as "Current Year's Property Taxes" as set forth in the foregoing estimates of revenue and a motor vehicle fee of \$15.00 per vehicle.

The tax rate is based on an estimate total valuation of property for the purpose of taxation of \$1,603,160,147 and an estimated rate of collection of 95.53 percent.

SECTION 4. There is hereby levied a tax that at the rate of \$.063 per \$100 valuation of property listed for taxes as January 1, 2023 located within the Municipal Service Tax District.

SECTION 5. There will be a salary increase of \$500 for FY 2023-2024 for all fulltime employees. There will be a \$500 increase that was approved by council in FY 2022-2023, and the budgetary impact (i.e, FICA,retirement, and 401k) will be paid in FY 23-24 for fulltime employees.

SECTION 6. That the residential refuse sanitation rate increase from \$23 to \$24 be authorized effective with the July billing.

SECTION 7. That the Downtown residential sanitation district rate increase from \$11 to \$15 effective with July billing. The Downtown small commercial sanitation district rate increase from \$13 to \$17 effective with July billing.

SECTION 8. That a holiday bonus of \$300 be given to all FLSA exempt employees in November.

SECTION 9. That a longevity payment be continues at the rate of \$125 per year of employment.

SECTION10. That the health insurance coverage be authorized with CIGNA and employees and eligible retirees shall pay \$43.49 per month towards their health insurance coverage.

SECTION 11. That the parking rental fee remain \$25 monthly for City-owned parking lots.

SECTION 12. That the City of Elizabeth City fee schedule be adopted by reference.

SECTION 13. That the City of Elizabeth City Capital Improvement Program be adopted.

SECTION 14. The Budget Officer shall be authorized to reallocate departmental appropriations among the various expenditures within each department.

SECTION 15: All ordinances or parts of the Ordinances in conflict herewith are hereby repealed.

Adopted on this 26th day of June 2023.

Edward Kirk Rivers
Mayor

April
Onley
City Clerk

5. Approval of Minutes:

a. Consideration – Approve June 12, 2023 Budget Work Session Minutes;

Motion was made by Councilman Joseph Peel, seconded by Mayor Pro Tem Kem Spence to approve the minutes with any necessary corrections. Those voting in favor of the motion were: Biggs, Peel, Gibbs, Whitehurst, Spence, Felton, Baxter and Walton. Against: None. Motion carried.

b. Consideration – Approve June 12, 2023 Regular Session Minutes;

Motion was made by Mayor Pro Tem Kem Spence, seconded by Councilman Joseph Peel to approve the minutes with any necessary corrections. Those voting in favor of the motion were: Biggs, Peel, Gibbs, Whitehurst, Spence, Felton, Baxter and Walton. Against: None. Motion carried.

c. Consideration – Approve June 20, 2023 Budget Work Session Minutes;

Motion was made by Mayor Pro Tem Kem Spence, seconded by Councilman Johnson Biggs to approve the minutes with any necessary corrections. Those voting in favor of the motion were: Biggs, Peel, Gibbs Whitehurst, Spence, Felton, Baxter and Walton. Against: None. Motion carried.

6. Consent Agenda:

Mayor Rivers read the Consent Agenda items into the record, as follows:

a. Consideration – Approve Budget Amendment for Parks and Rec;



AGENDA ITEMS		Council Meeting Date:	
Reference No. <u>2023.06.26A</u>		Monday, June 26, 2023	
Department: <u>Parks & Recreation</u>		Public Hearing:	
Fund Number/Department Number: <u>10-6200-</u>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
BACKGROUND: Occasionally, budget amendments are needed after the initial budget is adopted by the City Council in June for the following fiscal year. These amendments are necessary for a variety of reasons to carry forward projects that were approved in the prior year; but, were not foreseen and previously budgeted; for increases in costs that were estimated in the budget at a lower amount; and for increases in revenue that were estimated in the budget at a lower amount.			
Financial Impact: <input checked="" type="checkbox"/> One Time <input type="checkbox"/> Recurring			
Comments			
Analysis: These Amendments will appropriate additional revenue received from Parks & Rec donation for completion of restoration to George Wood Park, Insurance damage claim received for Holmes Field storm damage, and Sales Tax reveue.			
Department Head Recommendation: By motion, approve the attached General Fund budget amendment to modify the appropriation of funds			
Attachments: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
Reviewed by:			
Department Head: _____ Date: _____		FINANCE DEPT OFFICE USE <input checked="" type="radio"/> Recommend for Approval <input type="radio"/> Do not recommend	
Finance Officer: <u><i>Alina Starnad</i></u> Date: <u>6/23/23</u>			
City Manager: _____ Date: _____			

b. Consideration – Approve Budget Amendment for Solid Waste / Trash Compactor;



AGENDA ITEMS		Council Meeting Date:	
Reference No.	2023.06. 26B	Monday, June 26, 2023	
Department:	Solid Waste		
Fund Number/Department Number:	40-5800-	Public Hearing:	
		Yes	No
BACKGROUND: Occasionally, budget amendments are needed after the initial budget is adopted by the City Council in June for the following fiscal year. These amendments are necessary for a variety of reasons to carry forward projects that were approved in the prior year; but, were not foreseen and previously budgeted; for increases in costs that were estimated in the budget at a lower amount; and for increases in revenue that were estimated in the budget at a lower amount.			
Financial Impact:			
<input type="checkbox"/> One Time <input type="checkbox"/> Recurring			
Comments			
Analysis: This amendment will appropriate funds for the County portion of the site work for additional Downtown trash compactor.			
Department Head Recommendation: By motion, approve the attached General Fund budget amendment to modify the appropriation of funds			
Attachments: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
Reviewed by:			
Department Head:		FINANCE DEPT OFFICE USE	
Date:		<input checked="" type="radio"/> Recommend for Approval	
Finance Officer:		<input type="radio"/> Do not recommend	
Date:			
City Manager:			
Date:			

c. Consideration – Approve Budget Amendment for Load Management;



AGENDA ITEMS		Council Meeting Date:	
Reference No.	2023.06.26C	Monday, June 26, 2023	
Department:	Electric : Load Management		
Fund Number/Department Number:	30-8400-	Public Hearing:	
		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
BACKGROUND: Occasionally, budget amendments are needed after the initial budget is adopted by the City Council in June for the following fiscal year. These amendments are necessary for a variety of reasons to carry forward projects that were approved in the prior year; but, were not foreseen and previously budgeted; for increases in costs that were estimated in the budget at a lower amount; and for increases in revenue that were estimated in the budget at a lower amount.			
Financial Impact: <input checked="" type="checkbox"/> One Time <input type="checkbox"/> Recurring			
Comments			
Analysis: These amendments will appropriate fund received for the insurance claim for storm damage to a generator and the surplus of a generator from Load Management.			
Department Head Recommendation: By motion, approve the attached General Fund budget amendment to modify the appropriation of funds			
Attachments: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
Reviewed by:			
Department Head:		FINANCE DEPT OFFICE USE <input checked="" type="radio"/> Recommend for Approval <input type="radio"/> Do not recommend	
Date: _____			
Finance Officer: <u>Michael Steward</u>			
Date: <u>6/23/23</u>			
City Manager:			
Date: _____			

Mayor Rivers requested the Council’s pleasure on the Consent Agenda.

Motion was made by Mayor Pro Tem Kem Spence, seconded by Councilwoman Rose Whitehurst to approve the consent agenda. Those voting in favor of the motion were: Biggs, Peel, Gibbs, Whitehurst, Spence, Felton, Baxter and Walton. Against: None. Motion carried.

7. Regular Agenda:

a. Any Item Removed from the Consent Agenda;

There were no items removed from the Consent Agenda.

b. Consideration – Appointments to the Airport Authority (By Motion and ROLL CALL Vote);

Motion made by Councilman Joseph Peel, seconded by Mayor Pro Tem Kem Spence to appoint Chris Perry to serve a two-year term on the Airport Authority. Mayor Rivers announced there would be a roll call vote to confirm the appointment., which yielded the following results:

**Biggs – Yes
Peel – Yes
Gibbs – Yes
Whitehurst – Yes
Spence – Yes
Felton - Yes
Baxter – Yes
Walton – Yes**

Motion carried.

Motion was made by Councilman Joseph Peel, seconded by Mayor Pro Tem Kem Spence to appoint Steve Saunders as the Chairperson of the Airport Authority. Mayor Rivers announced there would be a roll call vote to confirm the appointment, which yielded the following results:

**Biggs – Yes
Peel – Yes
Gibbs – Yes
Whitehurst – Yes
Spence – Yes
Felton – Yes
Baxter – Yes
Walton – Yes**

Motion carried.

- c. Consideration – Adopt Internal Controls Compliance Documents; *(Tabled until July meeting During Agenda Adjustments)***
- d. Discussion – Article in The Daily Advance *(As Added During Agenda Adjustments by Councilman Walton);***

Councilman Walton said it was not in his DNA to just sit back and be disrespected. People came up tonight and said the manager and Finance Department did a good job on the budget, but if you look back at last week's news item, you'll see people sabotaging what we're trying to do. You see people write letters trying to knock down people who are trying to do the best they can do. The finished product is what's important. The budget has been made and it didn't happen by itself. There were people who worked hard to make it happen, but there are people requesting that people go and write letters to knock people down and diminish what they've accomplished. You're working against the organization when you do that. There were 23 letters with people's names on them. That's very bold, but then they come to Council and want us to work on projects for them. When we try to help everyone, they write letters trying to tear down the organization. He felt it was a sad animal that would bite the hand that fed it. He noted it was the worst thing that he'd seen happen in a long time. You can get a really clear idea of who is doing this. I do not appreciate it and it's disrespectful. He hoped the organization would continue doing the right things to move us forward. The manager, Finance Department and Council were making a concerted effort and it should be recognized. He hoped these issues stopped. He said he'd earlier made a statement that if he saw someone trying to sabotage the organization, he'd comment on it and that's what he was doing.

Mayor Rivers noted the agenda was now finished, but he asked that the manager please add Flora Street to the next agenda so we could address those concerns brought forward this evening. He advised the public that would be on the 7:00 p.m. Regular Session of July 10th.

8. Adjournment:

Having no further business to be discussed, Mayor Rivers adjourned the meeting at 7:15 p.m.

E. Kirk Rivers
Mayor

April Onley, NCCMC
City Clerk

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